UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
54th meeting
held on
Tuesday, 30 April 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 54th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 156: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991) (continued)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued)

This record is subject to correction.
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Distr. GENERAL
A/C.5/45/SR.54
3 May 1991

ORIGINAL: ENGLISH

91-55675 3656S (E)

The meeting was called to order at 3.55 p.m.

AGENDA ITEM 132: FINANCING OF THE UNITED NATIONS TRANSITION ASSISTANCE GROUP (continued) (A/45/997 and Corr.1 and A/45/1003)

1. Mr. INOMATA (Japan) said that the unencumbered balance in the United Nations Transition Assistance Group (UNTAG) budget represented one sixth of the total costs incurred in the operation. His delegation urged the Secretariat to establish more accurate cost estimates for future peace-keeping operations so that its appeals to Member States to pay their assessed contributions in full and on time would retain credibility.

2. He agreed with the recommendation of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) that the unencumbered balance should be credited in relevant amounts to Member States in accordance with the Financial Regulations of the United Nations and applicable practice in that regard. Any savings identified in the performance report (A/45/997, annex VI) should result in a decrease in the original appropriations and in the amounts assessed on Member States. He drew attention to General Assembly resolution 43/230, which provided for the amount of voluntary contributions to be deducted from the total amount to be assessed on Member States. As an example, he noted that there had been a $16.4 million decrease in appropriations in the programme budget for the biennium 1988-1989, reflecting a decrease in requirements for the year 1990.

3. In view of the launching of new peace-keeping operations which required substantial assessments, his delegation proposed that the unencumbered balance of the UNTAG account should be offset against the future assessed contributions of Member States. However, outstanding obligations towards UNTAG should not be waived, despite the conclusion of the operation.

4. With regard to the $3.3 million proposed charge to the Special Account, his Government agreed that, on an exceptional basis, a portion of the unencumbered balance should be used to meet the shortfall in funding for the repatriation of Namibian refugees.

5. Ms. MILLS (Deputy Controller), replying to the questions raised at the previous meeting by the United States representative, said that the information which she was providing related only to UNTAG, and that no two peace-keeping missions were identical.

6. With regard to the "worst case" issue, if "worst case" meant the same thing as "full cost", then that was the correct basis for the preparation of a budget, and it had been used in the case of UNTAG. In view of the recently approved guidelines for voluntary contributions, any such contributions which had been accepted at the time of preparation of a budget estimate for future operations would be given the appropriate treatment.

(Ms. Mills)

7. The surplus in the UNTAG account did not essentially arise from shortcomings in the planning stage, as had been suggested. There had been a number of significant changes in UNTAG components and in the infrastructure arrangements for the mission which could not have been anticipated earlier.

8. First, the budget cost estimates had been prepared on the basis of 4,350 military personnel, including 2,650 infantry and 1,700 logistics personnel. The principal savings had resulted from the fact that the number of military personnel deployed in the air unit had been much lower than the number originally envisaged.

9. Secondly, provision had originally been made for 820 locally recruited personnel at an average annual net salary of approximately $9,000. In the event, by the end of September 1989 only 425 posts had been filled. The salaries paid to locally recruited staff had also been much lower than originally estimated.

10. Thirdly, since UNTAG had been able to use facilities in the Territory which had formerly been occupied by the South African authorities, the amount of new construction needed had been minimal. She noted, however, that none of the accommodation provided by the South African authorities had been treated as a voluntary contribution in kind.

11. Turning to other items in the second performance report, she said that as there had been no agreement on the continued operation of the various airfields, airport facilities and air traffic control systems in the Territory until after the UNTAG operation began, it had been necessary to arrange for the United Nations to carry on those functions after the prescribed withdrawal time.

12. With regard to reimbursement for contingent-owned equipment, the Secretariat had been surprised at the level of two of the claims, which had been higher than anticipated. The amount shown under that heading also included considerable quantities of stores, supplies and other consumable items brought into the mission area by the contingents. While not included in the cost estimates as such, those items appeared under the expense heading as amounts owed to the troop-contributing Governments.

13. Reimbursement was made in the currency in which the claims were submitted. Currency fluctuations between the dates of the first and second performance reports had been taken into account, so that contributing Governments could never receive windfall gains as a result of variations in exchange rates.

14. With regard to the office furniture used by UNTAG, it was clearly stated in document A/45/997, annex V, paragraph 5, that not all of it had been top quality.

(Ms. Mills)

15. No expenditures had been financed from the provision for contingencies. An amount of $1.5 million had been retained to meet unforeseen expenditures for another year.

16. The special audit of the UNTAG operation had been requested by ACABQ in its first report on the programme budget for the 1990-1991 biennium (A/45/7). The Advisory Committee had recommended that the audit report should be available for consideration by the General Assembly at its forty-sixth session.

17. Lastly, ACABQ had been notified in May 1990 of the Secretary-General's proposal to dispose of the right-hand-drive vehicles by donating them to the Government of Namibia, and had provisionally concurred, pending its review of the revised draft agreement. The Secretariat was of the view that it would be dangerous to require mission personnel to operate right-hand-drive vehicles in a left-hand-drive country environment.

18. Mr. KALBITZER (Germany) said that his Government welcomed the successful conclusion of the UNTAG operation. It had gladly provided vehicles to the mission, and agreed that they should be turned over to the Namibian Government. The disposition of UNTAG equipment had been carried out in accordance with United Nations rules and the will of Member States. He concurred with the ACABQ recommendation that the question of the repatriation of Namibian refugees by the Office of the United Nations High Commissioner for Refugees (UNHCR) should be deferred to the forty-sixth session.

19. Mr. MICHALSKI (United States of America), referring to the statement made by the Deputy Controller, said that his delegation's point concerning UNTAG furniture was that the United Nations should not in any case purchase top-quality items. With regard to the provision for death and disability benefits, he wondered why the United Nations had not fixed a ceiling on such claims for field missions as it had at Headquarters. With regard to the repatriation programme, it had come to his attention that some of the returning Namibian refugees had been permitted to fly business class, and he wished to know the policy of UNHCR concerning the standard of travel.

20. Mr. MERIFIELD (Canada) asked whether the unencumbered balance represented funds which were tied to the UNTAG account or whether it formed part of general resources.

21. Ms. MILLS (Deputy Controller), replying to the United States representative, said that it would be necessary to consult UNHCR with regard to the standard of travel. Replying to the representative of Canada, she said that as the Financial Regulations of the United Nations required separate accounts for each peace-keeping operation, the funds in the UNTAG Special Account were available only for expenses relating to that mission.

22. Mr. DANKWA (Ghana) said that, while his delegation agreed that efforts should be made to ensure that budget estimates more closely approximated actual expenditures, it might not be appropriate to examine the UNTAG operation from a strictly technical point of view. At the time of preparation of the budget estimates, the level of voluntary contributions could not have been foreseen. Furthermore, the question of contributions by the South African Government had been politically sensitive because of the uncertainty surrounding the Government's intentions. The repatriation programme had also been governed by political considerations, namely, the holding of elections in Namibia. In view of time constraints, he could see why it had been necessary for Namibian exiles to fly business class.

23. In his view, the unencumbered balance should not be returned to Member States, but should instead be used to decrease the amount of assessed contributions to future peace-keeping operations. Furthermore, the fact that a surplus had been achieved should not release Member States from their outstanding obligations. He also supported the proposal to use part of the unencumbered balance to meet the shortfall in funding for the repatriation programme.

24. Mr. MICHALSKI (United States of America) said that he still failed to see the connection between the urgency of repatriating Namibian refugees and their being afforded a higher standard of travel.

25. His country was not in a position to pay contributions to a concluded operation. In his estimate, the United Nations owed the United States at least $2 million from the unencumbered balance.

26. Mr. CONMY (Ireland) said that the key point in financing peace-keeping operations was that each Member State had an obligation under Article 17, paragraph 2, of the Charter to pay its assessments, whether that State was rich or poor.

27. Mr. MICHALSKI (United States of America), replying to the statement by the representative of Ghana concerning repatriation, said that various delegations had been criticized for making political statements in what was, after all, a technical committee. In response to the representative of Ireland, he did not recall that that country had, in the early 1960s, reminded certain other States of their Charter obligations when they had failed to pay their assessed contributions.

28. Mr. DANKWA (Ghana) said he had not inferred that the repatriation of Namibian refugees was not a technical issue, but simply that it could not be separated from the political realities of the situation.

29. Mr. KINCHEN (United Kingdom) asked whether the Deputy Controller could confirm that there were precedents for the Secretary-General to borrow funds internally between accounts to meet shortfalls. Governments which had contributed promptly and in full had some rights to the unencumbered balance, but in the light of need and unforeseen obligations, perhaps ACABQ had found the right balance regarding those funds.

30. Ms. MILLS (Deputy Controller) said that there were, indeed, precedents for internal borrowing, but their basis in law was questionable. In his reports on the financial emergency, the Secretary-General had indicated that he had borrowed from peace-keeping accounts to meet regular budget obligations, but only on a very short-term basis.

31. Mr. MERIFIELD (Canada) said that every effort should be made to find a solution, so that the remaining UNTAG funds could be liquidated as soon as possible and put to use by the United Nations. The original resolution establishing UNTAG had certainly intended repatriation of the refugees to be charged to assessed contributions. His delegation supported the Secretary-General's recommendation on that issue and also the suggestion that the matter should be discussed at the forty-sixth session of the General Assembly.

32. Mr. MICHALSKI (United States of America) speculated whether the Secretary-General's decision to provide a subsidy to UNHCR would have a negative impact on voluntary contributions.

AGENDA ITEM 156: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991) (continued)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued) (A/45/240/Add.1 and A/45/1005)

33. Mr. TANG Guangting (China) said that his delegation supported the establishment of the United Nations Iraq-Kuwait Observation Mission (UNIKOM), and hoped that it would play a positive role in restoring peace and security to the Gulf region and in healing the wounds of war. The results of the UNTAG operation showed that savings were possible, and his delegation hoped that the Secretary-General would weigh all factors fully in order to arrive at more accurate cost estimates.

34. His delegation supported the ACABQ proposals in paragraphs 7-19 of document A/45/1005. Due to time constraints, many uncertainties remained with regard to cost estimates and there was much room for further reductions. It also supported the recommendation that, should the Security Council decide to continue the operation for a second six-month period, the corresponding budget estimates should be submitted to the forty-sixth session of the General Assembly. He requested clarification as to whether the subsistence allowance for logistical support staff would be paid in addition to the reimbursement made to their Governments.

35. Mr. MICHALSKI (United States of America) said that his delegation supported the recommended funding level of $60.9 million for UNIKOM's initial mandate. A substantial portion of the recommended savings resulted from modifications in the assumptions on which the Secretary-General's initial budget estimates had been based, in particular, voluntary contributions in kind and the use of existing equipment stocks.

36. The ACABQ report indicated that the initial budget estimates had assumed full deployment of military observers, international and locally recruited staff by early April, which had proved to be overly optimistic. The recommended reduction took that delay into account. Host Governments had agreed to provide office space, and the Secretary-General was urged to pursue the matter of the provision of housing also.

37. His delegation concurred with the ACABQ observations regarding possible savings through more cost-effective means of patrolling. Initial estimates had not accounted for the transfer of vehicles from UNIIMOG upon completion of that operation, and the projected size of the UNIKOM vehicle fleet might be too large. His delegation had always questioned whether amounts budgeted for office equipment might be excessive, and strongly supported the Advisory Committee's observations in that regard in paragraph 18 of document A/45/1005.

38. With regard to the detailed estimates provided in annex II to the Secretary-General's report (A/45/240/Add.1), the amount budgeted for transportation appeared high. Furthermore, the size of the civilian staffing component should be kept under close review and reduced, if possible, in the next mandate. He requested information regarding the number of posts to be assigned to United Nations Headquarters and the number of such support posts to be financed from UNIKOM resources.

39. Mr. RAZVIN (Union of Soviet Socialist Republics) said that while the new peace-keeping operation had great political significance, its political aspects should not affect its efficiency. It was the Fifth Committee's job to ensure reasonable financing. The proposed budget included many items that might prove unnecessary, and his delegation questioned the advisability of the high level of technical equipment. It was important to reduce costs to the minimum by making maximum use of facilities available from other operations, such as transportation and communications equipment from UNIIMOG, and materials stored at the Pisa supply depot. His delegation supported the ACABQ recommendations regarding the overall budget amount, which would not be prejudicial to the efficiency of the operation but, rather, would ensure its healthy financial functioning.

The meeting rose at 5 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
55th meeting
held on
Wednesday, 1 May 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 55th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 126: PERSONNEL QUESTIONS (continued)

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AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

AGENDA ITEM 156: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991) (continued)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued)

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Distr. GENERAL
A/C.5/45/SR.55
3 May 1991

ORIGINAL: ENGLISH

91-55681 3657S (E)

The meeting was called to order at 3.50 p.m.

AGENDA ITEM 17: APPOINTMENTS TO FILL VACANCIES IN SUBSIDIARY ORGANS AND OTHER APPOINTMENTS (continued)

(h) APPOINTMENT OF A MEMBER OF THE UNITED NATIONS STAFF PENSION COMMITTEE (A/45/142/Add.1)

1. The CHAIRMAN said that in document A/45/142/Add.1, the Secretary-General had informed the General Assembly of the resignation of Mr. Viktor A. Vislykh of the Union of Soviet Socialist Republics as a member of the United Nations Staff Pension Committee. Accordingly, the General Assembly would be required at its current session to appoint a person to fill the unexpired portion of Mr. Vislykh's term of office, which would end on 31 December 1991. In the same document, the Secretary-General had informed the Assembly of the nomination by the Government of the Union of Soviet Socialist Republics of Mr. Leonid E. Bidny to fill that vacancy.

2. If he heard no objection, he would take it that the Committee wished to dispense with the secret ballot and to recommend by acclamation the appointment of Mr. Leonid E. Bidny as a member of the United Nations Staff Pension Committee to fill the unexpired portion of Mr. Vislykh's term of office.

3. It was so decided.

AGENDA ITEM 126: PERSONNEL QUESTIONS (continued)

(c) OTHER PERSONNEL QUESTIONS (continued)

Amendments to the Staff Regulations (continued) (A/C.5/45/3 and Corr.1 and Add.1; A/C.5/45/L.27)

4. The CHAIRMAN said that, as indicated in the report of the Secretary-General (A/C.5/45/3 and Corr.1 and Add.1), the General Assembly had approved a number of recommendations of the International Civil Service Commission which affected the Staff Regulations. Those recommendations had been submitted to the Committee in documents A/C.5/45/3 and Corr.1; the annex to the draft resolution in document A/C.5/45/L.27 contained the proposed consequential amendments to the Staff Regulations. The Assembly was being asked formally to approve their incorporation into the Staff Regulations.

5. Mr. KALBITZER (Germany) wished to know why the Committee had not taken up the matter of amending the Staff Regulations earlier in its session.

6. Mr. TIEWUL (Secretary of the Committee) said that the matter had been brought before the Committee previously but had been inadvertently overlooked when the Committee had taken action on matters relating to agenda item 126 (c).

7. Draft resolution A/C.5/45/L.27 was adopted without a vote.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Conditions of service and compensation for officials other than Secretariat officials: members of the Joint Inspection Unit (continued) (A/C.5/45/75)

8. Mr. INOMATA (Japan) wished to know why the Committee had decided to resume its consideration of the agenda item. His delegation had studied the Secretary-General's report (A/C.5/45/75) carefully and had found that it raised two questions. First, he wondered whether the General Assembly could take a decision on the financial aspects of the matter without the consent of other organizations within the United Nations system. The Joint Inspection Unit (JIU) was a subsidiary organ not only of the General Assembly but also of the governing bodies of other organizations. Therefore, any decision on appropriations seemed to be premature. Secondly, acceptance of the Secretary-General's proposals would require an amendment to the JIU statute, and he questioned whether it was appropriate for the Committee to take a decision on the matter without resuming consideration of the item dealing with the reports of JIU. He wondered whether the Committee, which had many other issues before it, was in a position to devote so much time to the matter.

9. Mr. MICHALSKI (United States of America) said that his delegation supported the observations of the representative of Japan. The proper procedure would be to consider an amendment to the JIU statute and not, as the Secretary-General had suggested, to interpret the existing statute as permitting payment at the D-2 level, step VI. His delegation therefore recommended that the Committee take no action on the Secretary-General's request at the current session and, if necessary, that it consider introducing an amendment to the statute at its forty-sixth session.

10. Mr. MENDEZ (Philippines) said that his delegation wished to know whether the specialized agencies contributed to the payment of the salaries and allowances of JIU officials.

11. Mr. MSELLE (Chairman, Advisory Committee on Administrative and Budgetary Questions) said that the expenses of JIU were shared among the United Nations and the specialized agencies.

12. Mr. DANKWA (Ghana) inquired whether the Secretary-General's proposals should be considered as having been based on consultations with the specialized agencies.

13. Mr. KALBITZER (Germany) said that the Committee was spending too much time on consideration of the agenda item. He supported the proposal by the representative of the United States that the matter should be taken up at the forty-sixth session.

14. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to defer consideration of the issue raised by the Secretary-General's report (A/C.5/45/75) until the forty-sixth session of the

(The Chairman)

General Assembly, as proposed by the representative of the United States and supported by the representative of Germany.

15. It was so decided.

AGENDA ITEM 156: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991) (continued)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued)
(A/45/240/Add.1 and 1005; A/C.5/45/L.28)

16. Mr. HOSANG (Unit for Peace-keeping and Special Assignments) said that, at the previous meeting, the representative of China had raised the question of the mission subsistence allowance mentioned in paragraph 1 (b) (iv) of annex II to the Secretary-General's report (A/45/240/Add.1). Some 40 members of the logistical support unit would be based at locations where food and accommodation could not be provided. In normal circumstances, the United Nations reimbursed Governments for their contingents at the standard reimbursement rates established by the General Assembly. Since the 40 members of the logistical support unit would not be provided with food and shelter, it had been proposed that they should receive a daily subsistence allowance.

17. The representative of the Soviet Union had referred to the acquisition of equipment. It had been agreed that no equipment which was considered to be over and above the requirements of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) would be acquired and that, to the extent possible, maximum use should be made of the resources left over from the United Nations Iran-Iraq Military Observer Group (UNIIMOG).

18. With respect to the question of reducing assessments, raised by the representative of the United States, he said that, in its recommendations, the Advisory Committee on Administrative and Budgetary Questions (ACABQ) took into consideration the currently known voluntary contributions made to UNIKOM in kind, as well as the possibility of using existing stocks of equipment. The existing stocks of equipment left over from the United Nations Transition Assistance Group (UNTAG) would be made available to UNIKOM. In fact, some of that equipment was already in the mission area or on its way to it. The Secretariat took note of the observation regarding the host Government's efforts to obtain premises for the observer mission.

19. The travel cost of $3,300 indicated in paragraph 1 (a) (ii) of annex II to document A/45/240/Add.1 represented one-way travel for military observers and covered economy class air transportation, an allowance of 100 kilograms for unaccompanied excess baggage and a travel subsistence allowance for those observers entitled to a stopover on their way to the mission area. The cost represented an average based on the fact that UNIKOM military personnel would be recruited from some 30 countries worldwide. With regard to staffing, all civilian staff would be assigned to the mission area and none of the posts

indicated in annex III to the Secretary-General's report (A/45/240/Add.1) would be assigned to New York. The resources credited to the support account for peace-keeping operations would be used in accordance with the current guidelines.

20. Mr. RAE (India) said that the facilities of the Economic and Social Commission for Western Asia (ESCWA) contained office furniture and equipment worth some $4 million. He wondered whether the Secretariat had explored the possibility of using some of that equipment for UNIKOM.

21. Mr. HOSANG (Unit for Peace-keeping and Special Assignments) said that he had no information regarding the state of equipment at ESCWA, or even whether it was still there. Until that was known, it would be difficult to say whether that equipment could be made available to UNIKOM.

The meeting rose at 4.30 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
56th meeting
held on
Thursday, 2 May 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 56th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 156: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991) (continued)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued)

AGENDA ITEM 132: FINANCING OF THE UNITED NATIONS TRANSITION ASSISTANCE GROUP (continued)

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Conditions of service and compensation for officials other than Secretariat officials: members of the Joint Inspection Unit (continued)

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Distr. GENERAL
A/C.5/45/SR.56
6 May 1991

ORIGINAL: ENGLISH

91-55687 3663S (E)

The meeting was called to order at 5.45 p.m.

AGENDA ITEM 156: FINANCING OF THE ACTIVITIES ARISING FROM SECURITY COUNCIL RESOLUTION 687 (1991) (continued)

(a) UNITED NATIONS IRAQ-KUWAIT OBSERVATION MISSION (continued) (A/C.5/45/L.28)

1. Ms. MUSTONEN (Finland), introducing draft resolution A/C.5/45/L.28, said that the preamble indicated the legal basis of the draft resolution, namely Security Council resolutions 687 (1991) and 689 (1991), and also recognized that the so-called peace-keeping scale would be applied in apportioning expenses. In accordance with the Advisory Committee's recommendations, the draft resolution provided for an appropriation of $60,977,000 (gross) for the operation of the Observation Mission from 9 April to 8 October 1991, and requested the Secretary-General to establish a special account for the Mission. The draft resolution also called for the apportionment of the costs of the Mission among Member States in accordance with the composition of the groups set out in General Assembly resolutions 43/232 and 44/192 B, and urged Member States to pay their assessed contributions in full and on time, as well as inviting voluntary contributions. She trusted that the Committee would adopt the draft resolution without a vote.

2. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to adopt draft resolution A/C.5/45/L.28 without a vote.

3. It was so decided.

4. Mr. SY (Senegal) said that, while his delegation did not object to the adoption of the draft resolution, the wording employed with regard to assessed contributions could have been improved.

AGENDA ITEM 132: FINANCING OF THE UNITED NATIONS TRANSITION ASSISTANCE GROUP (continued) (A/45/997 and Corr.1, A/45/1003)

5. The CHAIRMAN said that the Committee was not in a position to conclude its consideration of the item, and suggested that it should be deferred to a subsequent meeting of the Committee at the current session.

6. Mr. KINCHEN (United Kingdom) said that there seemed to be agreement that there should be an interim distribution of an amount not to exceed the available cash balance, in which case the Advisory Committee should be asked to recommend a basis for such a distribution.

7. Mr. INOMATA (Japan) said that his delegation would prefer an early decision to be taken on the financing of the United Nations Transition Assistance Group (UNTAG), given the increased need for funding for peace-keeping created by the launching of new operations. The unencumbered

(Mr. Inomata, Japan)

balance for UNTAG should be retained within the United Nations system. With regard to distribution of the unencumbered balance, given that the revised requirements for UNTAG were now available, it was obviously possible to calculate revised assessments, following which appropriate adjustments should be made to the original assessments, taking into account contributions actually paid by Member States.

8. Mr. SY (Senegal) said that he agreed with the suggestion to defer consideration of the item. The short delay proposed by the Chairman would enable delegations to consider the matter further and reach a clearer understanding of the issues.

9. Mr. SPAANS (Netherlands) said that he supported the Chairman's suggestion and the proposal by the United Kingdom representative that ACABQ should submit recommendations on any distribution.

10. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to proceed as he had suggested and as proposed by the representatives of the United Kingdom.

11. It was so decided.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Conditions of service and compensation for officials other than Secretariat officials: members of the Joint Inspection Unit (continued) (A/C.5/45/75)

12. Ms. KING (Office of Human Resources Management) said with regard to the effective date of implementation of the new scale of remuneration for members of the Joint Inspection Unit that, given the decision taken by the Committee at its previous meeting concerning amendment of the JIU statute, the Secretariat would now begin consultations with the relevant organs on that matter and would submit a note to the Assembly at its forty-sixth session. The Assembly would then be in a position to establish the effective date of implementation.

The meeting rose at 6.15 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
57th meeting
held on
Monday, 13 May 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 57th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 157: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (continued)

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Distr. GENERAL
A/C.5/45/SR.57
16 May 1991

ORIGINAL: ENGLISH

91-55714 3671S (E)

The meeting was called to order at 3.40 p.m.

AGENDA ITEM 157: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (A/45/241/Add.1 and A/45/1011)

1. The CHAIRMAN said that at its 75th plenary meeting, the General Assembly had decided to include in the agenda of its forty-fifth session an additional agenda item entitled "Financing of the United Nations Mission for the Referendum in Western Sahara" and to allocate that item to the Fifth Committee. In view of the urgency of the matter, and considering that the Fifth Committee must also report to the General Assembly on agenda item 132 entitled "Financing of the United Nations Transition Assistance Group", he proposed that the Committee should hear introductory statements on the new item 157 and that Ms. Mustonen (Finland), Vice-Chairman of the Committee, should coordinate the preparation of a draft resolution on the matter. If he heard no objection, he would take it that that procedure was agreeable to the Committee.

2. It was so decided.

3. Mr. AHTISAARI (Under-Secretary-General for Administration and Management) introduced the report of the Secretary-General on financing of the United Nations Mission for the Referendum in Western Sahara (MINURSO) (A/45/241/Add.1). He wished to convey the Secretary-General's serious concern regarding, in particular, paragraph 15 of the report of the Advisory Committee on Administrative and Budgetary Questions (A/45/1011).

4. In his report to the Security Council (S/22464), the Secretary-General had emphasized the special nature of MINURSO. The holding of a referendum for self-determination for the people of Western Sahara was a complex exercise which involved, inter alia, the identification and registration of voters under free and fair conditions and the release of political prisoners, based on the assessment of an Independent Jurist. MINURSO would also be required to monitor the presence of remaining troops in the Territory and the operation of the local police and to ensure that law and order prevailed during the referendum. The role of MINURSO went beyond the merely supervisary tasks of the United Nations Transition Assistance Group (UNTAG), in Namibia, for MINURSO would actually be involved in the conduct of the electoral process at each stage. While MINURSO appeared to be smaller in scale than UNTAG, its functions would be extremely sensitive. For that reason, the Secretary-General was especially concerned about the proposal to downgrade the levels of senior personnel. It would be inappropriate, for example, for the Force Commander to serve as Deputy Special Representative, as ACABQ had proposed. The Secretary-General had indicated in his report to the Security Council that the Deputy Special Representative should be a civilian. The proposal to downgrade the status of the Independent Jurist was also unclear, especially since, based on the experience in Namibia, he would probably be employed on an "as required" basis.

(Mr. Ahtisaari)

5. In conclusion, recommendations to reduce staff and other resources, based on tasks and local conditions, should not imply that the Mission was less important; downgrading the status of the senior personnel of MINURSO would send an inappropriate signal. He therefore requested the Committee to approve the senior level posts at the levels requested by the Secretary-General.

6. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General was requesting $180.6 million ($176.9 million net) for MINURSO for approximately nine months. In addition, the Secretary-General had estimated the cost of repatriating Western Saharans under the auspices of the United Nations High Commissioner for Refugees (UNHCR) at $34.5 million. That requirement would be met from voluntary contributions.

7. The Advisory Committee had exchanged views with representatives of the Secretary-General regarding the repatriation costs. It had noted that the Secretary-General would inform the General Assembly that MINURSO should not be deployed unless he had been unequivocally assured that the $34.5 million required for that purpose had been raised.

8. The Advisory Committee had considered the repatriation exercise under MINURSO very much in the light of the UNTAG experience. In paragraph 8 of its report, the Advisory Committee urged the Secretary-General to take immediate steps to raise $34.5 million and report to the General Assembly on the status of funding the repatriation operation as early as possible before the transitional period began.

9. In examining the estimates for MINURSO, the Advisory Committee had noted the Secretary-General's statement to the Security Council, contained in document A/45/241/Add.1, paragraph 5, that the budget should be adopted without change and that it should be reviewed after six months, at which time any necessary adjustments could be made. The Advisory Committee had discussed the meaning of that statement with representatives of the Secretary-General and its views in that regard were set forth in paragraph 3 of its report. In the interest of avoiding confusion in the budgetary process, the Advisory Committee trusted that statements of that nature would be avoided in future.

10. The MINURSO estimates had been prepared on the basis of a "worst-case scenario". A number of uncertainties remained with respect to the full implementation of the operational plan in the sequence outlined in the reports before the Security Council and the General Assembly. Furthermore, the estimates did not take into account facilities and voluntary contributions which might be offered to the United Nations. The Advisory Committee hoped that every effort would be made to seek such facilities and voluntary contributions, which would make it possible to realize substantial savings. In paragraphs 10 to 18 of its report, the Advisory Committee referred to a number of aspects of the operation where considerable savings might be realized. They included, in particular, areas where voluntary contributions might offset the cost of budgeted services.

(Mr. Mselle)

11. The recommendations contained in paragraph 19 of the report were designed to facilitate decision-making. The Advisory Committee recommended that the cost estimates of the Secretary-General should be approved in principle and that $140 million net, or $143 million gross, should be appropriated and assessed on Member States for the initial six months of the operation. That meant that the General Assembly would be approving in principle $180.6 million gross ($176.8 million net) but assessing a lower figure. When administering the amounts to be appropriated and assessed, the Secretariat should bear in mind that the difference between the assessed amounts and the proposed estimates was not available to the Secretary-General for commitment and that he would have recourse to part or all of the balance only after a performance report had been submitted for consideration by the General Assembly after six months.

12. In preparing the performance report, the Secretary-General was requested to give full consideration to the observations and recommendations contained in the Advisory Committee's report. The appropriation and assessments for MINURSO for the remaining three months would take into account the detailed performance report by the Secretary-General and the impact of any facilities and voluntary contributions made available to him.

13. The Advisory Committee was somewhat puzzled by the number of high-level posts contemplated for MINURSO, which, in its view, would be a relatively small-scale and short-term operation. The Advisory Committee recommended one Under-Secretary-General and one Assistant Secretary-General post for the mission. Lastly, the Secretary-General was requested, in addition to submitting a report to the General Assembly on the status of funding for the repatriation operation, to submit to the Advisory Committee the related UNHCR cost estimates.

14. Mr. SPAANS (Netherlands) expressed the hope that statements such as that referred to in the final sentence of paragraph 3 of the Advisory Committee's report would indeed be avoided in future.

The meeting rose at 4 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
58th meeting
held on
Tuesday, 14 May 1991
at 10.30 a.m.
New York

SUMMARY RECORD OF THE 58th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 157: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (continued)

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Distr. GENERAL
A/C.5/45/SR.58
17 May 1991

ORIGINAL: ENGLISH

91-55723 3672S (E)

The meeting was called to order at 11.15 a.m.

AGENDA ITEM 157: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (continued) (A/45/241/Add.1 and A/45/1011)

1. Mr. KALBITZER (Germany) said that the Governments which were parties to the conflict in Western Sahara should indicate their willingness to make a special financial contribution to the United Nations Mission for the Referendum in Western Sahara (MINURSO), since that would alleviate the financial burden on the Organization.

2. The budget proposal submitted to the General Assembly for approval had been negotiated between the United Nations Secretariat and a number of Member States well in advance. Apparently, the Secretariat had assumed that those Member States represented the interests of the United Nations. Politically, that was a very dangerous assumption, since any Member State could call for a vote on the matter.

3. He hoped that the recommendations contained in the ACABQ report (A/45/1011) would not be open to too many different interpretations. His delegation regarded the sum of $140 million as a ceiling, and very strong arguments would be needed in order to exceed that amount after the first six months of the mission.

4. One of the few savings indicated in the ACABQ report involved cuts in high-level posts. Two under-secretaries-general and three assistant secretaries-general were clearly not needed for such a small and relatively short operation. It was remarkable that that proposal alone had prompted the Under-Secretary-General for Administration and Management to address the Committee.

5. The major flaw of the MINURSO operation was that its success depended on voluntary contributions for the repatriation of refugees. He wondered whether the operation would have to be called off if such contributions were not forthcoming. In the light of the difficulties that had been encountered in connection with MINURSO, the organization of United Nations peace-keeping operations should be re-examined. Peace-keeping was a task for which the United Nations was well suited, and Member States should therefore support the Organization's efforts in that area.

6. Mr. MICHALSKI (United States of America) said that the Advisory Committee's budget estimates represented a "worst-case" scenario that did not take account of the provision of facilities or services by the parties concerned or any voluntary contributions that might be received. Experience had shown that substantial voluntary contributions in cash and in kind had been provided for United Nations peace-keeping activities; in the case of Western Sahara, such contributions were likely to be forthcoming. His delegation requested confirmation from the Secretariat that it would pursue

(Mr. Michalski, United States)

such contributions and would keep ACABQ informed of progress in that area. He was pleased to note that some Member States had already indicated their intention to provide contributions in kind that would help to meet the requirements estimated by the Office of the United Nations High Commissioner for Refugees (UNHCR).

7. The Advisory Committee had recommended a number of specific economy measures that were sound and merited the Committee's support. Further reductions in mission subsistence allowance payments were justified in view of the actual living costs in the area and the extent to which the United Nations would provide housing for some military and civilian staff. His delegation shared the view that the amount budgeted for death and disability payments was high compared to other peace-keeping operations. There was no justification for the establishment of two under-secretary-general and three assistant secretary-general posts, and the Committee should therefore approve the Advisory Committee's recommendation to reduce the number of such posts.

8. The projected number of vehicles for the operation (824) was not reasonable in view of the proposed staffing level and the likelihood that fewer staff would be needed. Furthermore, savings could be achieved through leasing arrangements. In the case of the United Nations Peace-keeping Force in Cyprus (UNFICYP), the Secretariat had managed to work out favourable arrangements for the rental of vehicles, and that example could be followed in the case of MINURSO. Since the United Nations would be purchasing "left-hand" drive vehicles, his delegation expected that the MINURSO fleet would be returned to the Pisa depot when the mission was completed.

9. His delegation concurred with the Advisory Committee's recommendation that the General Assembly should appropriate $143 million for the initial six-month period of the operation. In view of the potential for savings, the Secretariat should be in a position to indicate to the forty-sixth session, in the six-month performance report recommended by ACABQ, a significant reduction in the overall budget of MINURSO. His delegation also supported the other specific recommendations of the Advisory Committee contained in paragraph 19 of its report (A/45/1011).

10. Mr. ZAHID (Morocco) said that the ACABQ report on the financing of MINURSO had been based on a certain number of erroneous assumptions, such as the estimated number of Western Saharans to be repatriated, and the number of polling stations. Moreover, the number of staff to be assigned to MINURSO did not correspond to the number indicated in the Secretary-General's report to the Security Council (S/22464 and Add.1). His delegation therefore wished to enter its formal reservations with respect to the political implications of those assumptions.

11. Mr. DUHALT (Mexico) said that the Committee should ensure that MINURSO had sufficient and timely financial resources. His delegation hoped that the procedures involved in the MINURSO operation would not constitute a precedent for the financing of future peace-keeping operations. As in other operations of that kind, it would have been appropriate to establish a global budget instead of working with partial budgets that required subsequent revision.

12. Mr. RAE (India) said that it was important to ensure that peace-keeping operations were carried out in a cost-effective and efficient manner. It was necessary to identify all possible areas for savings and reductions in financial outlays that would not jeopardize the functioning of such operations. In view of the special characteristics of MINURSO, it might be advisable to make provision for contingencies rather than to adopt an initial budget that was overly stringent.

13. It was clear from the ACABQ report that considerable savings could be made in a number of areas. In its future reports on peace-keeping operations, the Secretariat should provide Member States with additional justification for items such as transport and air operations. Information on the geographical characteristics of the area would help delegations to understand budget estimates better, and it would be useful if a map relating to the area involved in the operation was appended to the report.

14. With respect to paragraph 3 of the ACABQ report (A/45/1011), he wished to know whether the recommendation contained in the Secretary-General's report to the Security Council relating to the approval of the MINURSO budget was a departure from previous practice. The Secretariat should explain why that recommendation had been included in the Secretary-General's report (A/45/241/Add.1), since the Advisory Committee's report was not clear on that point. Further, he wished to know the full implication of the Advisory Committee's recommendations that the proposed cost estimates should be approved in principle, while appropriations should be made only for the initial six-month period.

15. Under the Charter of the United Nations, the General Assembly, and not the Security Council, was vested with the authority for approving the budget. His delegation therefore strongly supported the views contained in the last sentence of paragraph 3 of the ACABQ report.

16. With respect to the recruitment of military and civilian personnel as well as the procurement of equipment and other supplies for MINURSO, his delegation hoped that the Secretariat would observe the principle of geographical distribution when it took decisions on those matters.

17. Mr. INOMATA (Japan) said that his delegation wished to emphasize that the General Assembly, and not the Security Council, was responsible for authorizing the mode of financing and cost estimates of the MINURSO operation. As the Advisory Committee had indicated in its report, confusion

(Mr. Inomata, Japan)

in the budgetary process should be avoided. To that end, the adjustments in the MINURSO budget should be made by the Assembly rather than by the Council.

18. The time allocated to the General Assembly for the detailed examination of the MINURSO cost estimates was inadequate. While his delegation was fully aware of the urgency involved, it was not convinced of the necessity of setting the arbitrary deadline of 15 May for the Committee's completion of its consideration of the item. In order to ensure that they fully performed their proper functions under the Charter, the Fifth Committee and the Advisory Committee should be given sufficient time to scrutinize the proposed cost estimates. In that regard, his delegation was disappointed that all the observations of the Advisory Committee identifying areas for considerable savings had not led to a reduction in the proposed estimates.

19. His delegation did not agree with those who believed that voluntary contributions would ensure a smooth and timely repatriation process, which was central to the MINURSO operation. Inherent in that approach was uncertainty about the ultimate means of funding a shortfall when sufficient contributions were not received from donors. It would be all too easy to charge the deficit either to future commitments from donors who would respond to further appeals by the Secretary-General, or to the alleged surplus in the General Account of UNHCR. His delegation supported the Secretary-General's view that MINURSO should not be deployed in the mission area on D-day unless it had been unequivocally established that the necessary voluntary contributions totalling $34.5 million would be available in full and in time to permit implementation of the repatriation programme. Further, Japan strongly supported the Advisory Committee's recommendations to the Secretary-General regarding the fund-raising process and the reporting procedure by which the Secretary-General was to inform the General Assembly of the status of commitments by donors.

20. While his delegation had no objection to the Advisory Committee's recommendation that the General Assembly should approve in principle the Secretary-General's proposed cost estimates for MINURSO and appropriate and assess a total of $140 million for the initial six months, the Committee should not lose sight of the entire mandate period of nine months for which it would be necessary to make financial provision. If the purpose of establishing the two assessment periods had been to achieve economy, that purpose could be better achieved if more precise cost estimates were adopted for the entire mandate period.

21. Mr. KOUZNETSOV (Union of Soviet Socialist Republics) said that the Advisory Committee's recommendations on ways of reducing the costs of the MINURSO operation were well founded, and the Secretariat should adhere strictly to the suggestions and recommendations contained in the ACABQ report (A/45/1011). Further, the Secretariat should explore ways of realizing additional savings.

(Mr. Kouznetsov, USSR)

22. Security Council resolution 690 (1991) on the establishment of MINURSO was based on the Secretary-General's proposal that the UNHCR repatriation programme should be financed from voluntary funds. His delegation fully supported the Council's approach.

23. His delegation supported the Advisory Committee's recommendation to allocate $143 million for the first six months of the operation on the understanding that the decision on the financing of the remaining three-month period would be taken by the General Assembly on the basis of a detailed performance report for the first six months of the operation, taking into account the observations and recommendations of ACABQ, as well as the views of Member States.

24. Mr. LADJOUZI (Algeria) said that peace-keeping operations were the collective responsibility of Member States under the United Nations Charter, and that primary responsibility for the adoption of the budget and of funding arrangements for such operations lay with the General Assembly. The information and assumptions used by the Secretary-General in preparing his reports formed the basis of the Advisory Committee's recommendations and of the Fifth Committee's deliberations, but, where there was scope for savings, the Secretary-General's estimates could be adjusted. The essential point was for the resolution on the United Nations Mission for the Referendum in Western Sahara to be adopted by the Assembly to be quite clear so that the Secretary-General could proceed with the operation.

25. Mr. BELHAJ (Tunisia) said that Advisory Committee reports should clarify issues and facilitate, not complicate, the work of the Fifth Committee. The questions raised with regard to paragraph 3 of the Advisory Committee's report on MINURSO (A/45/1011) required an answer. His delegation shared the concerns expressed in connection with paragraph 19 of that report, and would welcome explanation of the "delicate balance" achieved in the Advisory Committee. For MINURSO to be successful, the General Assembly must be able to adopt a clear decision, which would be diffficult on the basis of the Advisory Committee's report. Members of that Committee should function as experts and not simply as representatives of their Governments.

26. Mr. ETUKET (Uganda) said that his delegation shared the concerns expressed with regard to paragraph 3 of the Advisory Committee's report and the role of the General Assembly vis-à-vis the Security Council in connection with the budgetary process. It seemed that a somewhat unusual procedure was being followed in the case of MINURSO; in particular, the meaning of the Advisory Committee's recommendation, in paragraph 19 of its report, that the General Assembly should approve, in principle, the proposed cost estimates of the Secretary-General, was not clear.

27. His delegation had expressed its reservations, in connection with the United Nations Transition Assistance Group (UNTAG), regarding the overemphasis on voluntary contributions for the repatriation of refugees. Similar concerns

(Mr. Etuket, Uganda)

applied to MINURSO. It appeared from paragraph 19 of the Advisory Committee's report that approval of the proposed estimates was tied to the methodology for approval, those being two elements which should be kept separate.

28. Mr. SPAANS (Netherlands) said that it was obvious from the Advisory Committee's report that it had been of two minds with regard to MINURSO. It was not clear exactly what the Advisory Committee was recommending acceptance of, although it was amply clear that MINURSO had been over-budgeted. That was regrettable, given the experience with UNTAG, in connection with which 72 Member States had failed to pay their contributions in full and on time. Over-budgeting could only reinforce that trend. It would be unfortunate if the Fifth Committee was constrained to include a reference to proper budgetary procedures in its draft resolution on MINURSO given that the provisions of Article 17 of the Charter were quite unambiguous.

29. Mr. ANNAN (Controller) said that the Organization was at a crossroads in the domain of peace-keeping operations, which raised issues of concern to the Secretariat as well as to Member States. In view of the increasing demands of peace-keeping activities, Member States might soon be called upon to contribute as much to such operations as they did to the regular budget. The time had perhaps come for the funding of peace-keeping operations to be reviewed, an endeavour in which the Secretariat would cooperate closely with delegations in the quest for acceptable and viable solutions. For their part Member States should act with restraint in seeking information from the Secretariat which was not necessarily readily available, since that served to divert staff members from their work on behalf of the Organization.

30. Some delegations had suggested that the budget for UNTAG had been excessive because of incompetence on the part of the Secretariat. It should be noted that the operation had been a success both politically and financially, and that in preparing the budget the Secretariat had had to juggle widely varying figures which had been bandied about for almost a decade. The budget which had ultimately emerged had been based on the best information available and on rational judgements. The cooperation of the South African Government in making certain facilities available to UNTAG, which had led to savings, had not been anticipated by the Secretariat, while approximately 6 per cent of the costs had ultimately been met by voluntary contributions. Although delegations had been quick to comment on those points, few had been prepared to give credit where credit was due to the Secretariat for having run the operation as efficiently as possible. On a broader note, the financial base for the funding of peace-keeping operations was now miniscule in comparison with the scale of such activities. Perhaps the amount left over from UNTAG could be retained in the Organization pending a review of funding.

31. With regard to the repatriation of refugees in connection with MINURSO, the Secretary-General viewed their repatriation as an essential element in the settlement of the question of Western Sahara, since no referendum could be

(Mr. Annan)

held without voters, and had considered funding that element of the operation through assessed contributions. However, after consultations with some delegations, it had seemed expedient to rely on voluntary contributions. The Secretary-General had stated that MINURSO should not be deployed unless those voluntary contributions were forthcoming in order to emphasize the essential nature of the repatriation component.

32. With regard to paragraph 3 of the Advisory Committee's report, the matter was not entirely in the hands of the Secretariat, which could not refuse requests for information and which sought to serve all Member States on an equal basis in compliance with the relevant rules and practices.

33. The issue of high-level posts had been given careful consideration within the Secretariat and, indeed, the Under-Secretary-General for Administration and Management had come to speak to the Committee on the matter at the preceding meeting. ACABQ believed that the proposed MINURSO staffing was top-heavy, and it had, perhaps legitimately, recommended reducing the number of high-level appointments to one civilian Under-Secretary-General and one military Assistant Secretary-General (A/45/1011, para. 15). However, the civilian Under-Secretary-General would require a deputy, judging from the Namibian operation where a deputy had had to be added once it was under way; and that civilian deputy had to be at a high enough level - at least D-2 - to be able to give instructions to the General holding the military Assistant Secretary-General post.

34. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) assured the Committee that it was a basic goal of the Advisory Committee to facilitate the work of the Fifth Committee and not to sow confusion. Nothing in its report (A/45/1011) had been intended as intentional concealment. ACABQ operated on the basis of information given to it in writing, supplemented by oral information. When it received confusing information, it attempted to clarify it for the Fifth Committee.

35. Paragraph 19 of the ACABQ report had been deliberately structured so that the Committee could see the main elements in the report that ACABQ wished the Committee to address. If paragraph 3 of the report was confusing, that was not the Advisory Committee's fault. In his report to the Security Council (S/22464), the Secretary-General had indicated that the financial requirements for MINURSO, including the repatriation programme, would be approximately $200 million. In his statement to the informal consultation of the Council (S/22532), he had recommended that the budget should be adopted without change and that it should be reviewed after six months, a statement which he made again in his report to the General Assembly (A/45/241/Add.1, para. 5). However, the budget submitted was not for $200 million but for $215.1 million, including the cost of the repatriation of refugees. Thus, a change had already been introduced, and by the Secretariat itself.

(Mr. Mselle)

36. When ACABQ had taken up the estimates, there had been a full and detailed discussion of the recommendations to be proposed to the Committee. He took issue categorically with the contention that ACABQ should operate always and only as a technical body. The Advisory Committee could not work in an ivory tower, and it was one of its chief strengths that some of its members also sat in the Fifth Committee. ACABQ had to be aware of the political context in which United Nations budget estimates were proposed, although that political context was never the sole criterion for its recommendations.

37. Paragraph 19 had been drafted after detailed discussion. Some ACABQ members had felt that the MINURSO budget should be cut drastically, even down to $105 million for the full nine months; while others had seen no grounds for any reduction. The Secretary-General himself, in his report to the General Assembly, was the one proposing that the budget should be reviewed after six months. In paragraph 19 of its report, ACABQ had agreed with the Secretary-General. The Advisory Committee's agreement appeared to some delegations to have complicated the issue, but it was the Secretariat that should be asked to explain the genesis of the six-month period, which ACABQ had not invented.

38. The figures of $143 and $140 million given in the first recommendation in paragraph 19 were reasonable amounts for the first six months of MINURSO, when the bulk of the resources - 70 to 80 per cent, according to information from representatives of the Secretary-General - had to be used.

39. The only point not made explicit in paragraph 19 was the fact that the General Assembly must appropriate $150.6 million. As to the question of the impropriety of approving a budget in principle, he pointed out that the General Assembly had done so several times, although perhaps not in the context of a peace-keeping operation, and had later assessed amounts as the need arose.

40. He disagreed that ACABQ could be blamed for confusing the Committee with regard to the UNTAG operation. There had been problems in connection with UNTAG because some delegations in the Fifth Committee had chosen not to follow the ACABQ recommendations. The Advisory Committee had recommended that the unencumbered balance in that account should be credited to Member States in accordance with the Financial Regulations; although it had never recommended that those which had not paid should be reimbursed. Instead, some delegations had insisted on becoming involved in the detailed mechanics of the reimbursement process.

41. With regard to the General Assembly's exclusive authority for budgetary decisions and the related question put by the representative of the Netherlands, the Advisory Committee had not obtained a promise from the Secretariat that statements of the kind referred to in paragraph 3 of its report would be avoided in future. If such statements were again made, ACABQ would have to report accordingly to the Committee.

42. Mr. ETUKET (Uganda), referring to the Secretary-General's view that MINURSO should not be deployed in the mission area on the scheduled date unless it had been unequivocally established that the necessary voluntary contributions would be available (A/45/241/Add.1, para. 19), asked the Controller whether he knew what course of action the Secretary-General was contemplating if that did not happen. Did he, for instance, intend to call off the whole operation?

43. Mr. ANNAN (Controller), noting that a similar situation had arisen in the Namibian operation, recalled that in the latter case the Secretary-General had recommended that the Organization should cover a $3.3 million shortfall in the amount required for the repatriation of refugees from the surplus in the UNTAG account, while ACABQ had suggested that UNHCR might be able to absorb it against the surplus in its General Account, and the matter was still under negotiation. Having been unable in the case of UNTAG to secure agreement on applying the balance in that account to that shortfall, the Secretary-General was hesitant to put forward the same suggestion in the case of MINURSO. Should a shortfall indeed develop, the Secretariat would have to seek guidance from ACABQ and the General Assembly on how to proceed, and could not give an answer until it was faced with that hurdle.

The meeting rose at 12.45 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
59th meeting
held on
Thursday, 16 May 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 59th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 157: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (continued)

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Distr. GENERAL
A/C.5/45/SR.59
20 May 1991

ORIGINAL: ENGLISH

91-55732 3673S (E)

The meeting was called to order at 3.55 p.m.

AGENDA ITEM 157: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (continued) (A/C.5/45/L.30)

1. Ms. MUSTONEN (Finland), Vice-Chairman, introduced draft resolution A/C.5/45/L.30, reflecting the results of the informal consultations which she had coordinated at the request of the Chairman. She drew attention to a minor drafting change and a correction, and to an addition to the end of paragraph 7 which would read: "in accordance with the settlement plan as contained in paragraphs 72, 73 and 74 of the report of the Secretary-General (S/21360) of 18 June 1990 and in paragraphs 34, 35 and 36 of the report of the Secretary-General (S/22464) of 19 April 1991".

2. Although the overall format of the draft resolution was the usual one for the financing of peace-keeping operations, she indicated certain new elements, such as the approval in principle of the Secretary-General's proposed budgetary estimates in paragraph 2, the appropriation in paragraph 3 of an initial amount for the first six months of the mandate period, and further consideration of financing for the remaining three months in the light of a performance report for the first six months as called for in paragraphs 4 and 5. Also, paragraph 6 took note of the Secretary-General's views on the role of the United Nations High Commissioner for Refugees, and paragraphs 7 and 8 adopted or noted the recommendations of the Advisory Committee on Administrative and Budgetary Questions regarding voluntary contributions and high-level posts. The expenses of the Mission were apportioned among Member States in paragraph 9 in accordance with the special scale for peace-keeping operations.

3. Draft resolution A/C.5/45/L.30, as orally revised, was adopted without a vote.

4. The CHAIRMAN said that the Committee had thus concluded its consideration of agenda item 157.

The meeting rose at 4.10 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
60th meeting
held on
Friday, 17 May 1991
at 10 a.m.
New York

SUMMARY RECORD OF THE 60th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 132: FINANCING OF THE UNITED NATIONS TRANSITION ASSISTANCE GROUP (continued)

OTHER MATTERS

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Distr. GENERAL
A/C.5/45/SR.60
21 May 1991

ORIGINAL: ENGLISH

91-55738 3674S (E)

The meeting was called to order at 10.55 a.m.

AGENDA ITEM 132: FINANCING OF THE UNITED NATIONS TRANSITION ASSISTANCE GROUP (continued) (A/45/997 and Corr.1 and A/45/1003; A/C.5/45/L.29)

1. Mr. CONMY (Ireland), introducing draft resolution A/C.5/45/L.29, said that the beginning of paragraph 5 should be revised to read: "Invites Member States to consider the utilization of the credits due to them to be set off against their assessed contributions ...", in order to reflect the agreement reached in informal consultations. The draft resolution related to an unprecedented situation: an account for a peace-keeping operation which had terminated with resources in excess of net estimated revised costs. Paragraphs 2 and 3 of the resolution meant that all Member States' obligations to the United Nations Transition Assistance Group (UNTAG) were being revised in the light of the new net estimated costs. States whose payments were in excess of their revised obligations would be credited with the difference, and States which were still in arrears would have their arrears of assessed contributions reduced. Member States had expressed an interest in the interest earnings on the UNTAG account, as reflected in paragraph 7 of the draft resolution, a matter which would no doubt be considered at the forty-sixth session. Paragraphs 8, 9 and 10 reflected a compromise on the shortfall for funding repatriation by the Office of the United Nations High Commissioner for Refugees. Pending consideration of that matter, the amount would remain in the UNTAG Special Account. Lastly, those Member States that were still in arrears were urged to pay their assessed contributions.

2. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to adopt draft resolution A/C.5/45/L.29 without a vote.

3. It was so decided.

4. Mr. ANNAN (Controller) said that diligent investment by the Secretariat of amounts in the Special Account had led to the accrual of interest. The fact that UNTAG was being liquidated with a surplus balance had resulted in a number of technical difficulties, including the question of what amount of interest should be credited to particular Member States, since contributions had not been received from all Member States at the same time, and, indeed, some States had paid their contributions after the Mission had officially terminated at the end of March 1990. Discussion of the financing of UNTAG provided an opportunity to consider the broader question of the cash-flow problems attending the start-up of peace-keeping operations. As an initial step, thought could be given to retaining interest earned on contributions received for such purposes. The matter should be thoroughly considered both by the Advisory Committee and the Fifth Committee before any recommendations were made to the Assembly.

5. Mr. INOMATA (Japan) said that his delegation shared the concern expressed by the Controller regarding the smooth start-up of peace-keeping operations, a question which had been the subject of considerable debate. The Secretariat had proposed an increase in the size of the Working Capital Fund, a proposal that was under consideration by the Advisory Committee and the Fifth Committee. It would be well to resolve that issue first, before considering the new elements referred to by the Controller. With regard to the unencumbered balance in respect of the UNTAG operation, his delegation would welcome further information on the interest earned, which, by the end of 1989 alone, had amounted to more than $11 million.

6. The CHAIRMAN said that the Committee had concluded its consideration of agenda item 132.

OTHER MATTERS

7. Mr. MICHALSKI (United States of America) said that he wished the Secretariat to look into the question of excess documents, sometimes as many as 50 or 100 copies, delivered to his delegation above and beyond its requirements. Delegations should receive only the quantities of documents they specifically requested.

The meeting rose at 11.20 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
61st meeting
held on
Monday, 17 June 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 61st MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 158: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN EL SALVADOR

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91-55857 3751S (E)

Distr. GENERAL
A/C.5/45/SR.61
20 June 1991

ORIGINAL: ENGLISH

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The meeting was called to order at 3.40 p.m.

AGENDA ITEM 158: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN EL SALVADOR (A/45/242/Add.1, A/45/1021)

1. The CHAIRMAN said that, at its 77th plenary meeting held on 10 June 1991, the General Assembly had decided to include in the agenda of its forty-fifth session, and to allocate to the Fifth Committee, an additional item 158 entitled "Financing of the United Nations Observer Mission in El Salvador" and had requested the Fifth Committee to reconvene to consider that item. Documentation for the item consisted of the report of the Secretary-General (A/45/242/Add.1) and the report of the Advisory Committee on Administrative and Budgetary Questions (A/45/1021).

2. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee, said that the Security Council, by its resolution 693 (1991) of 20 May 1991, had established an Observer Mission to monitor and verify human rights in El Salvador. The Mission had been established for an initial period of 12 months. In his report to the General Assembly, the Secretary-General had stated that once there was agreement on a cease-fire, ONUSAL would play a broader peace-keeping role in the region (A/45/242/Add.1, para. 18). Subsequently, the structure of the Mission would be revised and the Secretary-General would submit revised resource requirements to the General Assembly. In the meantime, the Secretary-General had submitted cost estimates for the Mission for 12 months totalling some $31.2 million gross (some $28.8 million net). The Advisory Committee had considered the estimates in detail and its recommendation was the result of a careful examination of the Secretary-General's assumptions in estimating the costs of the Mission.

3. Paragraphs 8 to 17 of the Advisory Committee's report contained observations on the main items of expenditure. For the reasons stated in those paragraphs, the Advisory Committee had concluded that lower expenditures than those estimated by the Secretary-General would be required for personnel costs such as salaries, allowances, mission subsistence allowance and daily subsistence allowance. Savings were also possible in the estimates for transport and communications equipment, the procurement of vehicles and, possibly, accommodation. Accordingly, the Advisory Committee was of the view that $23 million gross should be sufficient for the operation of the Mission from 1 July 1991 to 30 June 1992. On that basis, the Advisory Committee was recommending that the General Assembly should appropriate and assess a total of $13.8 million gross ($13 million net) for the period from 1 July to 31 December 1991. The Committee was further recommending that the General Assembly should authorize the Secretary-General, with the prior concurrence of the Advisory Committee, to enter into commitments not exceeding $9.2 million gross ($8.8 million net) for the remaining six-month period of ONUSAL from 1 January to 30 June 1992. Should the Secretariat encounter any difficulties

in operating the Mission within the amount recommended by the Advisory Committee, the Secretary-General was requested to report in the usual manner to the Advisory Committee.

4. Mr. MERIFIELD (Canada), referring to paragraph 12 of the Advisory Committee's report, requested clarification of the status of international staff seconded from Member States. The original budget proposal did not provide for the payment of base salary and/or mission subsistence allowance to such outside staff, but rather a consultancy fee on an international contract basis. He would also appreciate details of the savings anticipated as a result of recruiting non-staff members. His delegation was concerned about human rights observers being seconded from Member States on a voluntary basis and assuming a sensitive task that the United Nations might be better qualified to perform.

5. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the information contained in paragraph 12 had been provided by representatives of the Secretary-General. Staff recruited from outside the United Nations system would not be entitled to payments such as post adjustment, but would receive emoluments comparable to those they might receive from any other employer for comparable work. Applying different rates of pay to outside personnel would result in savings in personnel costs. United Nations personnel, on the other hand, would continue to receive salary and post adjustment, since they would be considered to be on short-term assignment. The representative of the Secretariat might be able to provide further details.

6. Mr. ZAHID (Morocco), referring to paragraph 18 of the Advisory Committee's report, requested clarification regarding the financing of the second phase of the Mission. It seemed that a precise amount was not being recommended but, rather, was being left to the discretion of the General Assembly. In addition to the specific figure given for communications equipment in paragraph 16, his delegation would like to see a breakdown of estimated savings among the various items of expenditure mentioned in paragraphs 10 to 15.

7. Mr. BELHAJ (Tunisia) requested clarification of the phrase "with the prior concurrence of the Advisory Committee" in paragraph 18, which seemed tantamount to a reversal of roles between the Advisory Committee and the General Assembly. If the Advisory Committee authorized the General Assembly to take action, it would no longer be serving in an advisory capacity.

8. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) stressed that the Advisory Committee could never be considered a power unto itself; it was an advisor to the General Assembly and reported to the Fifth Committee. He was grateful for an opportunity to clarify certain aspects of paragraph 18. That paragraph had been drafted in

(Mr. Mselle)

the light of paragraph 16 of the report of the Secretary-General (A/45/242/Add.1), which contained a technical flaw. The Secretary-General had stated in subparagraph (a) of paragraph 16 that the General Assembly would appropriate funds for the Mission for 12 months; in subparagraph (b), that the General Assembly would apportion an initial amount of the total appropriation among Member States; and in subparagraph (c) that the Assembly would apportion the balance subject to the concurrence of the Advisory Committee. Ordinarily, appropriation and assessment by the General Assembly were final. The Advisory Committee had therefore decided to recommend that in order to implement the Secretary-General's recommendation, the General Assembly should authorize the Advisory Committee to authorize the Secretary-General to enter into commitments for the remaining six months. That procedure had been adopted for other peace-keeping missions.

9. Replying to the Moroccan representative, he said that the overall adjustment recommended by the Advisory Committee had not been apportioned among the various items of expenditure, in the interest of allowing the Secretary-General the flexibility to transfer funds between items.

10. Mr. MICHALSKI (United States of America), referring to the proposed staffing table of ONUSAL in annex III of the report of the Secretary-General (A/45/242/Add.1), asked why the entire staff must be at the P-3 level or above. He wondered why certain duties could not be assigned to staff members at the P-2 level.

11. Mr. FORAN (Officer-in-Charge, Department of Administration and Management) said that experienced staff were required on mission, which ruled out the entry-level grades. Staff members who had transferred from the General Service category to the Professional category were an exception, but they were likely to have considerable seniority, which meant that their P-2 salaries would be comparable to the P-3 level. For budgetary purposes, it was therefore prudent to make provisions for P-3 staffing.

12. Mr. MERIFIELD (Canada) requested details from the representatives of the Secretariat concerning the outside personnel referred to in paragraph 12 of the Advisory Committee's report. Specifically, he wished to know how they would figure in the staffing table and how they would be remunerated.

13. Mr. SADRY (Director, Field Operations Division, Office of General Services) specified that two types of contracts were involved. One was for personnel already employed by the United Nations and temporarily assigned to the field. They would continue to be entitled to post adjustment and, in addition, would receive a mission subsistence allowance in El Salvador. The other type of contract covered personnel recruited specifically for the Mission. They were not entitled to post adjustment, but would receive a base salary plus the amount of mission subsistence allowance applicable in

(Mr. Sadry)

El Salvador. Thus far, there had been no indication that any personnel had been assigned by Governments on a voluntary basis.

14. The CHAIRMAN requested Ms. Mustonen (Finland), Vice-Chairman of the Committee, to coordinate the text of a draft resolution.

15. Ms. MUSTONEN (Finland) said that it would be possible to draft the text of a resolution without holding informal consultations.

16. Mr. INOMATA (Japan), referring to the report of the Secretary-General submitted to the Security Council (S/22494/Add.1) and to instructions received from the Secretary-General earlier that day, asked why the traditional scale of assessments for peace-keeping operations would be applied. Was that because the initial human rights mission to El Salvador would play a broader peace-keeping role in the future, as Mr. Mselle had indicated in his introduction to the report of the Advisory Committee?

17. Mr. FORAN (Officer-in-Charge, Department of Administration and Management) said that, traditionally, United Nations activities which were not financed under the regular budget were financed by assessments. The scale of assessments for peace-keeping operations had also been applied in the case of Namibia.

18. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) added that paragraph 2 of Security Council resolution 693 (1991) referred to ONUSAL as "an integrated peace-keeping operation".

The meeting rose at 4.25 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
62nd meeting
held on
Wednesday, 19 June 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 62nd MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 158: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN EL SALVADOR (continued)

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Distr. GENERAL
A/C.5/45/SR.62
24 June 1991

ORIGINAL: ENGLISH

91-55878 3755S (E)

The meeting was called to order at 3.35 p.m.

AGENDA ITEM 158: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN EL SALVADOR (continued) (A/45/242/Add.1 and A/45/1021; A/C.5/45/L.32)

1. Ms. MUSTONEN (Finland), Vice-Chairman of the Committee, introducing draft resolution A/C.5/45/L.32 on financing of the United Nations Observer Mission in El Salvador (ONUSAL), said that the draft resolution was based on Security Council resolution 693 (1991) of 20 May 1991, followed the traditional format for draft resolutions on peace-keeping operations and provided for the application of a peace-keeping scale of assessments. She recommended the draft resolution for adoption without a vote.

2. Draft resolution A/C.5/45/L.32 on financing of the United Nations Observer Mission in El Salvador was adopted without a vote.

3. Mr. INOMATA (Japan) said that his delegation welcomed the launching of the United Nations Observer Mission in El Salvador and the improved political climate in Central America. The Secretary-General and United Nations staff members deserved praise for their efforts in the region. His delegation welcomed, in particular, the intensive dialogue between the Government of El Salvador and the Frente Farabundo Martí para la Liberación Nacional (FMLN), held under the auspices of the Secretary-General in accordance with the Geneva Agreement and the Caracas Agenda.

4. His delegation hoped that the negotiations currently taking place in Mexico would resolve such outstanding issues as a cease-fire and the return of the armed forces and would reach agreement on a negotiated settlement of the conflict. Once there was agreement on the remaining issues, it anticipated that the United Nations would be called on to implement a broader peace-keeping operation, of which human rights verification would be an integral part. Establishment of the human rights component of ONUSAL would contribute positively to the current negotiating process which, in turn, should promote democratization, respect for human rights and the reunification of Salvadorian society.

5. His delegation was aware of the need to provide ONUSAL with adequate resources in its initial phase in order to ensure the success of the current negotiations. It none the less urged the Secretary-General to take all necessary measures to help provide ONUSAL with appropriate resources as soon as it was given a mandate to operate as an integrated peace-keeping operation and throughout the subsequent phases of its activities.

6. His delegation appreciated the fact that the draft resolution adopted the language of paragraph 2 of Security Council resolution 693 (1991). Referring to ONUSAL as "an integrated peace-keeping operation" clarified why the traditional peace-keeping mode of financing was being applied to a human rights verification mission. Paragraphs 1 and 2 of the draft resolution gave

(Mr. Inomata, Japan)

the Secretary-General some assurances as to the level of funding that would be made available for ONUSAL. However, the formulations used in those paragraphs were similar to those used for the financing of peace-keeping operations whose mandates were renewed every six months, as the United Nations Disengagement Observer Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL). His delegation had agreed to those formulations with some reluctance, as the mandate of ONUSAL was for 12, not 6, months. The Fifth Committee should have considered adopting a 12-month assessment period based on the precedent set by the United Nations Transition Assistance Group (UNTAG). That would have represented a firmer commitment and would have been justified by the Committee's acceptance of the substantial reduction in the Secretary-General's estimate, recommended by the Advisory Committee on Administrative and Budgetary Questions. In future, the Fifth Committee should consider how the length of the assessment and financial periods was to be determined in relation to the mandate period of peace-keeping operations.

7. The CHAIRMAN said that the Committee had concluded its consideration of agenda item 158.

The meeting rose at 3.50 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
63rd meeting
held on
Wednesday, 26 June 1991
at 3 p.m.
New York

SUMMARY RECORD OF THE 63rd MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 127: UNITED NATIONS COMMON SYSTEM (continued)

AGENDA ITEM 128: UNITED NATIONS PENSION SYSTEM (continued)

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Distr. GENERAL
A/C.5/45/SR.63
28 June 1991

ORIGINAL: ENGLISH

91-55905 3760S (E)

The meeting was called to order at 3.40 p.m.

AGENDA ITEM 127: UNITED NATIONS COMMON SYSTEM (continued)

AGENDA ITEM 128: UNITED NATIONS PENSION SYSTEM (continued) (A/C.5/45/76 and 77)

1. The CHAIRMAN reminded the Committee that the delegations of Australia, Canada, Japan, the Union of Soviet Socialist Republics, the United Kingdom and the United States of America had requested that agenda items 127 and 128 should be reopened in order to consider the impact on the United Nations common system and pension system of the decision by the International Telecommunication Union Administrative Council to implement unilaterally a pension purchasing protection insurance plan, as well as the decision by the Secretary-General of ITU to grant a special post allowance to the agency's Professional staff.

2. Mr. BARE (International Telecommunication Union), introducing document A/C.5/45/77, said that currency fluctuations since the end of the Bretton Woods agreement some 20 years earlier had led to a reduction in the purchasing power of pensions paid in dollars in countries with strong currencies. While ITU acknowledged the attempts made by the United Nations Joint Staff Pension Board to solve the problem, relief had been modest and short-lived. The Board's decision to establish a floor ratio for the rate of exchange, with effect from 1 January 1988, had somewhat stabilized the situation, but expiration of that measure at the forty-fifth session had led to a resurgence of instability and uncertainty. The Committee would recognize that certainty with regard to pension benefits was a legitimate expectation, and that staff members did not wish to participate in a pension lottery occasioned by currency fluctuations.

3. While ITU had awaited a solution for some two decades, it had not been forthcoming, in view of which the Union had been obliged to consider a pension purchasing power protection scheme to ensure that the real pensions of its staff would not fall below those of their counterparts in New York. The Pension Purchasing Power Protection Insurance Plan had been prepared, but not implemented, since the ITU Administrative Council still cherished the hope that the Fifth Committee and the Pension Board would act to correct the anomaly. It was preferable for a solution to be devised which would apply throughout the common system, provided it could be done quickly, although the ITU proposal itself was not incompatible with the common system. The Fifth Committee should act to reassure ITU staff members, who constituted the keystone of the agency.

4. Commenting on document A/C.5/45/76, he said that the Administrative Council of ITU had established the High Level Committee, composed of representatives of 21 member States, to review the structure and functioning of the Union. That Committee had formulated a number of recommendations, some

(Mr. Bare, ITU)

of them relating to financial and personnel management and information technology. A special ad hoc group of the Administrative Council, created to study personnel matters in greater depth, had suggested that ITU staff members at the Professional and Directorial level should be deeply involved in implementing the High Level Committee's recommendations in their specific areas. It had been proposed to compensate such additional temporary work by granting, after certification, a special, non-pensionable, post allowance. That allowance would, of course, be paid only to those who had actually performed the work in question; there was no automaticity. The measure would have no impact on the common system, under which organizations were allowed latitude in resolving their specific difficulties and meeting their personnel needs.

5. ITU found itself in exceptional circumstances in that it needed to implement fundamental changes in its structure and functioning in order to adapt to the rapid pace of change in the telecommunication sector. In those circumstances exceptional measures were necessary, and the Secretary-General of ITU had acted in the knowledge that the proposals contravened neither the spirit nor the letter of the common system.

6. Mr. MERIFIELD (Canada), speaking on behalf of Australia, Canada, Japan, the Union of Soviet Socialist Republics, the United Kingdom and the United States of America, in addition to his own delegation, said that the General Assembly, in its resolution 45/242, had invited governing bodies of member organizations of the United Nations Joint Staff Pension Fund to refrain from seeking to establish additional pension entitlements for their staff, as such action would be detrimental to the common system. It was a matter of deep concern that, if ITU were to proceed with its proposals, in direct contravention of resolution 45/242, the conditions of service of its staff would be affected in a manner which might be incompatible with the common system and the obligations arising from ITU's acceptance of the statute of ICSC.

7. Further, it was questionable whether the assertion, cited by ITU in document A/C.5/45/76, that the common system need not be applied with such rigid uniformity that an organization could never deviate from it, was still applicable in the light of subsequent legislation.

8. With reference to the ITU decision to pay a special post allowance, the granting of such an allowance to any staff member not temporarily taking up high level duties would appear to be an abuse of the staff regulations and incompatible with the common system.

9. Subsequent to the ITU proposals, the International Labour Conference had decided to establish a voluntary thrift benefit fund for its employees which would also provide benefits for its staff over and above those provided to other staff members employed in the common system. Establishment of the fund

(Mr. Merifield, Canada)

would result in a cost to member States of approximately $4.8 million. ICSC had expressed concern at its thirty-third session about the failure of the International Labour Organisation to hold full consultations before taking a decision of legitimate interest to, and possible incompatibility with, the common system.

10. Unilateral action of the type taken by ITU and ILO undermined the central role of ICSC in regulating and coordinating conditions of service, including pensionable remuneration, and the right of the Commission to establish conditions of entitlement to benefits, in accordance with the overriding principle of a single unified international civil service. It would be recalled that the General Assembly, in resolution 45/242, had called upon the Pension Board, as a matter of priority, to make recommendations for a long-term approach to the issue of the initial local currency pensions, which underlaid ILO and ITU concerns, and had endorsed transitional measures where appropriate. In the light of the work in progress on those matters, it was regrettable that ITU had elected to take unilateral action.

11. Accordingly, the delegations concerned proposed that the Fifth Committee should request the common-system organizations to examine the consistency of the ITU and ILO decisions with those agencies' obligations under - and their continuing participation in - the common system, and, taking account of the views of the Fifth Committee, to report thereon to the General Assembly at its forty-sixth session.

12. The delegations concerned also proposed that the Fifth Committee should reiterate its request to the common system bodies to ensure that the recommendations for a long-term approach to the determination of the initial local currency pensions, requested in resolution 45/242, as well as the reports requested in resolution 45/241 on the common system, were available for consideration at the forty-sixth session. In the interim the Committee should remind organizations adhering to the common system of their obligations to consult with ICSC and the Pension Board on matters relating to conditions of service and benefits, and again to invite them to refrain from taking any action which might be incompatible with the development of a single unified international civil service.

13. Mr. SPAANS (Netherlands) fully endorsed the statement made by the representative of Canada. The Netherlands was concerned over the unilateral action taken by ITU. There appeared to be no valid reason why there had not been full consultation with ICSC and the Pension Board, while the information available indicated that the action taken by ITU implied a fundamental departure from the common system.

14. Mr. CARDOSO (Brazil) said that his delegation also shared the concerns expressed by the representative of Canada in respect of the ITU action.

15. Mr. MINET (Observer, International Labour Organisation) said that the International Labour Conference, having considered the views of ICSC and the Pension Board, had recently adopted a resolution concerning the endowment of the voluntary thrift benefit fund. The Fifth Committee would note that the sum of $4.8 million was in fact being financed by interest accrued on the terminal benefits fund. The endowment would be limited to officials in service at the time of approval, and since the scheme was voluntary it was not part of the statutory conditions of service and would not be financed by ILO itself, which would have no responsibility for its future viability.

16. Mr. BEL HADJ AMOR (Chairman of the International Civil Service Commission) said that the Commission had been informed of the ILO initiative only after the agency had taken a decision. The Commission, while recognizing the difficulties faced by ILO, had deplored the ILO initiative.

The meeting rose at 4.20 p.m.